

B Y L A W S
OF
[NEW PREMIERA BLUE CROSS CORP.]

ARTICLE I
SHAREHOLDERS

Section 1 Annual Meeting. An annual meeting of the shareholders for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held each year on the date and at the time determined by the Board of Directors. The failure to hold an annual meeting at the time stated in these Bylaws does not affect the validity of any corporate action.

Section 2 Special Meetings. Except as otherwise provided by law, special meetings of shareholders of this corporation shall be held whenever called by the Chair of the Board, a majority of the members of the Board of Directors, the President and Chief Executive Officer or upon the request of one or more shareholders who hold at least twenty five percent (25%) of all the share entitled to vote on any issue proposed to be considered at the special meeting.

Section 3 Place of Meetings. Meetings of shareholders shall be held at such place within or without the State of Washington as determined by the Board of Directors, pursuant to proper notice.

Section 4 Notice. Notice of each shareholders' meeting stating the date, time, and place and, in case of a special meeting, the purpose(s) for which such meeting is called, shall be given by this corporation not less than ten (10) (unless a greater period of notice is required by law in a particular case) nor more than sixty (60) days prior to the date of the meeting, to each shareholder of record entitled to vote at such meeting unless required by law to send notice to all shareholders (regardless of whether or not such shareholders are entitled to vote), which notice may be given in any manner and by any means permitted under Title 23B of the Revised Code of Washington, the Washington Business Corporation Act, as amended from time to time (the "**Act**").

Section 5 Waiver of Notice. A shareholder may waive any notice required to be given by these Bylaws, the Articles of Incorporation or the Act, before or after the meeting that is the subject of such notice. A valid waiver is created by any of the following three methods: (a) in ~~a~~an executed record, as defined in the Act, from the shareholder entitled to the notice and delivered to the corporation for inclusion in its corporate records; (b) attendance at the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; or (c) as to the consideration of a particular matter that is not within the purpose or purposes described in the meeting notice, the shareholders' failure to object at the time of presentation of such matter for consideration.

Section 6 Quorum of Shareholders. At any meeting of the shareholders, holders of a majority of the votes of all the shares entitled to vote on a matter, represented by shareholders of record in person or by proxy, shall constitute a quorum. Once a share is represented at a meeting, other than to object to holding the meeting or transacting business, it is deemed to be present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for the adjourned meeting. At such reconvened meeting, any business may be transacted that might have been transacted at the meeting as originally noticed. If a quorum exists, action on a matter is approved if the votes cast favoring the action exceed the votes cast opposing the action, unless the question is one upon which by express provision of law or of the Articles of Incorporation a different vote is required.

Section 7 Proxies. Shareholders of record may vote at any meeting either in person or by proxy executed in any manner permitted under the Act. A proxy is effective when received by the person authorized to tabulate votes for this corporation. A proxy is valid for eleven (11) months unless a longer period is expressly provided in the proxy. A validly executed proxy, which does not state that it is irrevocable shall continue, subject to the provisions of the Act, in full force and effect unless: (i) revoked by the person executing it, before the vote pursuant to that proxy, by a writing delivered to the corporation stating that the proxy is revoked, or by a subsequent proxy executed by, or attendance at the meeting and voting in person by, the person executing the proxy; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the Corporation before the vote pursuant to that proxy is counted.

Section 8 Voting. Subject to the provisions of the laws of the State of Washington, and unless otherwise provided in the Articles of Incorporation, each outstanding share is entitled to one (1) vote on each matter voted on at a shareholders' meeting, with all shares voting together as a single class.

Section 9 Adjournment. A majority of the shares represented at the meeting, even if less than a quorum, may adjourn any meeting of the shareholders from time to time. At a reconvened meeting at which a quorum is present, any business may be transacted at the meeting as originally noticed. If a meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place if a new date, time, or place is announced at the meeting before adjournment; however, if a new record date for the adjourned meeting is or must be fixed in accordance with the corporate laws of the State of Washington, notice of the adjourned meeting must be given to persons who are shareholders as of the new record date.

Section 10 Action by Shareholders Without a Meeting. Any action which could be taken at a meeting of shareholders may be taken without a meeting if a written consent setting forth the action so taken is signed by all the shareholders. Any such written consent shall be inserted in the minute book as if it were the minutes of a meeting of the shareholders.

Section 11 Shareholder Participation by Means of Communication Equipment. Shareholders may participate in any meeting of shareholders called pursuant to the provisions of the Articles of Incorporation and these Bylaws by any means of communication by which all

persons participating in the meeting can hear each other during the meeting. A shareholder participating in a meeting by this means is deemed to be present in person at the meeting.

ARTICLE II BOARD OF DIRECTORS

Section 1 Powers of Directors. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of, the Board of Directors, except as otherwise provided by the Articles of Incorporation.

Section 2 Number; Term Limits.

(a) Number. The initial Board of Directors shall consist of ~~twelve~~thirteen (~~12~~13) directors. Thereafter, the Board of Directors shall consist of such number of directors as may be determined in accordance with the Articles of Incorporation, provided that such number shall be no fewer than seven (7) and no more than ~~thirteen~~ (~~13~~fourteen (14)). Directors need not be shareholders of this corporation or residents of the State of Washington, but must have reached the age of majority. Unless otherwise provided in these Bylaws, the number of directors may at any time be increased or decreased within such range by the shareholders or by the Board of Directors at any regular or special meeting.

(b) Term Limits. A director may be reelected to succeed to the next term of office as provided in Section 3(c) above, *provided, however*, that no director, other than the ~~President and~~ Chief Executive Officer ~~who serves as an ex-officio director~~, may serve for more than three (3) consecutive three-year terms (computed without regard to service on the board of directors of any predecessor organization to the corporation and without regard to any shorter terms preceding the first of such three-year terms). A director who has completed service of three (3) consecutive three-year terms and who is therefore ineligible to serve another consecutive term shall be ineligible again to serve as a director until after the passage of at least two (2) full years following the expiration of his or her last term as a director of the corporation.

Section 3 Composition.

(a) ~~President and~~ Chief Executive Officer as Director. The ~~President and~~ Chief Executive Officer of the corporation shall serve as a director of the corporation. The ~~President and~~ Chief Executive Officer shall have a vote on all matters presented before the Board of Directors or any meeting of the Executive Committee, except that he or she shall not be entitled to vote in connection with any of the following matters (including if any of the following matters properly come before the Executive Committee): (a) the nomination, election or removal from office of any director of the corporation; (b) establishing his or her compensation as an officer of the corporation; (c) the executive compensation review functions of the Board of Directors or the Governance Committee; (d) any matter in connection with the audit of the corporation's finances or operations; or (e) any amendment to these Bylaws that amends such matters in which he or she is not entitled to vote.

(b) **Public Members.** The Board of Directors shall be comprised of a majority of “public members.” A “public member” excludes any person who: (i) is engaged or has engaged at any time in the practice of a health care profession (other than as an employee of the corporation or one of its affiliates); (ii) is a director, officer, partner or employee of an organization that primarily sells health care services (other than the corporation or one of its affiliates); (iii) is a director, officer, partner or employee of an organization of health care providers; or (iv) has a direct or indirect beneficial interest of more than 5% of the equity of an organization that sells or delivers health care services. This Section is designed to reflect and be consistent with the rules of the Blue Cross Blue Shield Association (“BCBSA”). If the limitations under the BCBSA rules are amended, this Section shall be construed to permit Board of Director representation to the full extent permitted under such rules, as so amended.

Section 4 Classes; Term; Initial Directors. The classes, terms and names of the initial directors shall be as set forth in Section 2, Article III, of the Articles of Incorporation.

Section 5 Regular Meetings. Regular meetings of the Board of Directors shall be held at such places, and at such times as the Board of Directors by vote may determine, and, if so determined, no notice thereof need be given.

Section 6 Special Meetings. Special meetings of the Board of Directors may be held at any time, whenever called by the Chair of the Board, or in his absence the President and Chief Executive Officer. In addition, on the written request of three (3) directors, the Chair of the Board, or in his or her absence the President and Chief Executive Officer, on such directors’ behalf, shall call a special meeting of the Board of Directors.

Section 7 Notice. No notice is required for regular meetings of the Board of Directors. Notice of special meetings of the Board of Directors, stating the date, time, and place thereof, shall be given at least two (2) days prior to the date of the meeting. The purpose of the meeting need not be given in the notice. Notice may be communicated by any means permitted by the Act, and is effective when specified in the Act.

Section 8 Waiver of Notice. A director may waive notice of a special meeting of the Board of Directors either before or after the meeting, and such waiver shall be deemed to be the equivalent of giving notice. Attendance of a director at a meeting shall constitute waiver of notice of that meeting unless said director, at the beginning of the meeting, or promptly upon such director’s arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. Any waiver by a non-attending director must be in an executed record, as defined in the Act, from the director entitled to the notice and delivered to the corporation for inclusion in its corporate records.

Section 9 Quorum of Directors. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business. When a quorum is present at any meeting, a majority of the members present thereat shall decide any question brought before such meeting, except as otherwise provided by the Articles of Incorporation or by these Bylaws.

Section 10 Adjournment. A majority of the directors present, even if less than a quorum, may adjourn a meeting and continue it to a later time. Notice of the adjourned meeting or of the business to be transacted thereat, other than by announcement, shall not be necessary. At any adjourned meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting as originally called.

Section 11 Resignation. Any director of this corporation may resign at any time by giving written notice to the Board of Directors, its Chair, or the Chief Executive Officer ~~and President~~ or Secretary of this corporation. Any such resignation is effective when the notice is ~~delivered~~received, unless the notice specifies a later effective date.

Section 12 Removal. A director, any class of directors, or the entire Board of Directors may be removed:

(a) at any special meeting of the Board of Directors called for such purpose upon the affirmative vote of a majority of the directors of the corporation entitled to vote, subject to the approval of the sole shareholder as provided in the Articles of Incorporation, (1) if declared mentally incompetent by order of a court of competent jurisdiction, (2) if convicted of a felony or (3) for any other proper cause.

(b) by the affirmative vote of not less than two-thirds of the total number of shares entitled to vote at any special meeting of shareholders called for such purpose.

Section 13 Vacancies. Unless otherwise provided by law, vacancies in the Board of Directors shall be filled by a majority of the directors then in office, though less than a quorum, or by action of the shareholders, subject to compliance with Article VIII of the ~~Article~~Articles of Incorporation.

Section 14 Compensation. By resolution of the Board of Directors, each director may be paid expenses, if any, of attendance at each meeting of the Board of Directors (and each meeting of any committees thereof), and may be paid a stated salary as director, or a fixed sum for attendance at each meeting of the Board of Directors (and each meeting of any committee thereof), or both. No such payment shall preclude any director from serving this corporation in any other capacity and receiving compensation therefor.

Section 15 Presumption of Assent. A director of this corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless:

(a) The director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding it or transacting business at the meeting;

(b) The director's dissent or abstention from the action taken is entered in the minutes of the meeting; or

(c) The director delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation within a reasonable time after adjournment.

The right of dissent or abstention is not available to a director who votes in favor of the action taken.

Section 16 Conference Telephone. Meetings of the Board of Directors may be effectuated by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other during the meeting. Participation by such means shall constitute presence in person at such meeting.

Section 17 Action by Board of Directors Without a Meeting. Any action that could be taken at a meeting of the Board of Directors may be taken without a meeting if a written consent setting forth the action so taken is signed by each of the directors entitled to vote with respect to the matter considered for action. Such written consents may be signed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document. Any such written consent shall be inserted in the minute book as if it were the minutes of a Board of Directors meeting. For purposes of clarification, an email transmission attributable to the sending director shall be considered sufficient as a written consent.

ARTICLE III COMMITTEES OF THE BOARD OF DIRECTORS

Section 1 Standing or Temporary Committees. In addition to the standing committees described Section 5 of this Article, the Board of Directors, by resolution adopted by a majority of directors, may designate and appoint one or more other standing or temporary committees. Each member of such standing committee shall be a director of the corporation. Such committees shall have and exercise the authority of the directors in the management of the corporation, subject to such limitations as may be prescribed by the Board of Directors; ~~except or~~ contained in these Bylaws or provided in the Act and further provided that no committee shall have the authority to: (a) amend, alter or repeal these Bylaws; (b) elect, appoint or remove any member of any other committee or any director or officer of the corporation; (c) amend the Articles of Incorporation; (d) adopt a plan of merger or consolidation with another corporation; (e) authorize the sale, lease or exchange of all or substantially all of the property and assets of the corporation not in the ordinary course of business; (f) authorize the voluntary dissolution of the corporation or revoke proceedings therefor; (g) adopt a plan for the distribution of the assets of the corporation; (h) amend, alter or repeal any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by a committee; (i) take any action requiring two-thirds vote of the directors; ~~or~~ (j) exercise the rights of the corporation as the voting member or shareholder or owner of any other entity or (k) approve, adopt or recommend to the shareholders any action or matter expressly required by the Act to be submitted to shareholders for approval. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual director of any responsibility imposed upon it, him or her by law. Vacancies on any

standing committee shall be filled from and by the Board of Directors at a regular meeting of the Board of Directors or at any special meeting called for that purpose. Any committee designated pursuant to this Section 1 shall be governed by the same rules regarding meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements as applied to the Board of Directors. Each committee may prepare a written charter that further addresses the committee's purpose, function and responsibilities. The committee charters, which may be amended from time to time, shall be approved by the Board of Directors and shall comply with all applicable federal securities laws and regulations and the rules of any national securities exchange or national securities association on which the corporation's securities are listed, if any.

Section 2 Quorum; Manner of Acting. Except as provided in Section 6(a)(4) and Section 6(b)(5) of this Article, a majority of the number of directors composing any committee shall constitute a quorum, and the act of a majority of the members of a committee entitled to vote with respect to the matter considered for action and present at a meeting at which a quorum is present shall be the act of the committee.

Section 3 Resignation. Any member of any committee may resign at any time by delivering written notice thereof to ~~the President and Chief Executive Officer, the Secretary~~ Chair of the Board of Directors or the chairperson of such committee, or by giving oral or written notice at any meeting of such committee. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4 Removal of Committee Member. The Board of Directors, by resolution adopted by a two-thirds vote, may remove from office any member of any committee elected or appointed by it.

Section 5 Designation and Appointment of Standing Committees. The standing committees of the Board of Directors shall be (1) an Executive Committee, (2) a Governance Committee, (3) an Investment, Audit and Compliance Committee and (4) a Compensation Committee. The members and the chair of each committee shall be appointed annually by the Board of Directors. Each standing committee of the Board of Directors shall serve at the pleasure of the Board of Directors. The Chair of the Board shall review committee assignments from time to time to make recommendations to assure a balance of representation and participation on the committees.

Section 6 Description of Standing Committees.

(a) Executive Committee.

(1) *Membership.* Membership on the Executive Committee shall consist of the Chief Executive Officer of the corporation and not less than four (4) members of the Board of Directors. The four (4) members of the Board of Directors to serve on the Executive Committee shall be those persons who are also members of the Governance Committee. In addition, one of the four (4) directors to serve on the Executive Committee shall be the Chair of

the Board, provided that such person does not also hold the position of Chief Executive Officer of the corporation.

(2) *Powers and Duties.* The Executive Committee of the Board of Directors, during the intervals between meetings of the Board of Directors, shall possess and may exercise the power and authority of the Board of Directors in the management of the business and affairs of the corporation and may transact such business of the corporation as may be required between meetings of the Board of Directors and as may, from time to time, be requested by the Board of Directors, subject to the limitation on the authority of committees contained in ~~these Bylaws~~ Article III, Section 1 of these Bylaws and in the Act and except for matters that have been specifically delegated to another committee or which are required to be addressed by a specific committee by applicable law or national stock exchange listing requirement, if any.

(3) *Committee Meetings.* The Executive Committee shall meet from time to time on the call of the Chair of the Board ~~of Directors~~ or the President and Chief Executive Officer or of any two (2) or more members of the Executive Committee, such meetings to be held at the date, time and place as may be designated in the notice of the meeting given by the person so authorized by these Bylaws. Notice of the date, time and place of each meeting of the Executive Committee shall be given to each member of the Executive Committee either in person, by mail, by facsimile or similar electronic means, or by telephone, not less than three (3) business days prior to the meeting; such notice need not state the purpose or purposes of the meeting.

(4) *Quorum.* A majority of the members of the Executive Committee shall constitute a quorum, provided any action to be taken by the Executive Committee shall require either (i) the presence of at least a majority of the members of the Executive Committee other than the President and Chief Executive Officer and the affirmative vote of a majority of the members present at such meeting and entitled to vote on such matter, or (ii) a unanimous vote of the members entitled to vote on such matter and who are present at a meeting at which a quorum is present.

(5) *Minutes and Reports to the Board.* The Executive Committee shall keep regular minutes of its meetings and proceedings. All business transacted by the Executive Committee shall be reported to the Board of Directors at the next regular meeting of the Board of Directors or at a special meeting called for that purpose and shall be subject to ratification, revision or alteration by two-thirds vote of the Board of Directors, provided that no rights of third parties shall be affected by any such revision or alteration.

(6) *Chair of the Committee.* The Chair of the Board ~~of Directors~~ shall be the chair of the Executive Committee unless the Chair of the Board holds the position of Chief Executive Officer of the corporation, in which case the chair of the Executive Committee shall be a director, other than the Chief Executive Officer.

(b) *Governance Committee.*

(1) Membership. Membership on the Governance Committee shall consist of not less than four (4) members of the Board of Directors, none of whom shall be employees of the corporation. The Chair of the Board shall be a member of the Governance Committee if such person does not also hold the position of Chief Executive Officer of the corporation.

(2) Powers and Duties. The Governance Committee shall:

(A) Oversee any and all governance matters affecting the corporation's Board of Directors. This is to specifically include a review of the corporation's governance documents whenever appropriate, but at least on a biennial basis, and also to include other matters that may from time to time be referred to the Committee by the Board of Directors.

(B) Nominate candidates to serve on the corporation's Board of Directors, ensure that the Board of Directors and its committees are comprised of individuals who have strength of character, an inquiring and independent mind, practical wisdom, mature judgment and a strong commitment to the interests and integrity of the corporation. It is desirable that these individuals have prior business and/or health care experience and corporate board experience.

(C) Develop and recommend to the Board of Directors guidelines and criteria to determine the qualifications of directors, and to review such guidelines and criteria annually.

(D) Review the qualifications of and recommend to the Board of Directors nominees for directors to be elected by the Board of Directors to fill vacancies and newly created directorships.

(E) Consider and, when appropriate, make recommendations to the Board of Directors concerning the size and composition of the Board of Directors at least every three years.

(F) Annually bring to the Board of Directors a recommendation for the composition of the committees; the Governance Committee should continually address rotation of ~~Board~~ members of the Board of Directors onto all committees; the chairperson of a committee should be limited to three (3) years with the desirability of having a former chairperson leaving that committee within one (1) year of serving as chair.

(G) Develop and recommend appropriate processes to enable the Board of Directors as a whole to review its effectiveness, as well as the effectiveness of its individual members.

(H) Ensure that management and the Board of Directors have plans in place to provide for both emergency and ongoing succession of key management positions.

(3) Chair of the Governance Committee. The Chair of the Board of Directors shall be the chair of the Governance Committee, *provided, however*, that the Chair of the Board

does not hold the position of Chief Executive Officer of the corporation (in which case, such person will be prohibited from serving on the Governance Committee).

(4) Quorum. A majority of the members of the Governance Committee shall constitute a quorum, provided any action to be taken by the Governance Committee shall require either (i) the presence of at least a majority of the members of the Governance Committee other than the President and Chief Executive Officer and the affirmative vote of a majority of the members present at such meeting and entitled to vote on such matter, or (ii) a unanimous vote of the members entitled to vote on such matter and who are present at a meeting at which a quorum is present.

(5) Minutes and Reporting to the Board. The Governance Committee shall keep regular minutes of its meetings and proceedings. All business transacted by the Governance Committee shall be reported to the Board of Directors at the next regular meeting of the Board of Directors or at a special meeting called for that purpose and shall be subject to ratification, revision or alteration by two-thirds vote of the Board of Directors, provided that no rights of third parties shall be affected by any such revision or alteration.

(c) Investment, Audit and Compliance Committee. The Investment, Audit and Compliance Committee shall provide assistance to the Board of Directors in discharging its duties in connection with (i) investments of the corporation's assets and policies relating to the investment of assets by the corporation and its subsidiaries; (ii) the internal controls and accounting and reporting practices of the corporation and its subsidiaries; and (iii) the compliance program and the code of business conduct of the corporation and its subsidiaries.

(1) Membership. Membership on the Investment, Audit and Compliance Committee shall consist of not less than three (3) members of the Board of Directors, none of whom shall be employed by the corporation or any of its subsidiaries.

(2) Investment Powers and Duties. In discharging its investment functions, the Investment, Audit and Compliance Committee shall:

(A) Make recommendations to the Board of Directors concerning:

(i) Policies related to the nature and scope of the invested assets of the corporation and its subsidiaries; and

(ii) Policies and procedures related to the control and management of invested assets of the corporation and its subsidiaries.

(B) Review and approve all investment transactions by the corporation consistent with policies approved by the Board of Directors.

(C) Review management's report of all investment transactions by the corporation for regulatory compliance and conformity with the investment policies and

procedures approved either (i) directly by the Board of Directors or (ii) by the Investment, Audit and Compliance Committee and ratified by the Board of Directors.

(3) *Audit Powers and Duties.* In discharging its audit functions, the Investment, Audit and Compliance Committee shall communicate directly with the independent auditors and internal auditors on such matters as it deems appropriate. The Investment, Audit and Compliance Committee shall:

(A) Review with the independent auditors the scope of their examination, with particular emphasis on the areas to which either the Committee or the auditors believe special attention should be directed. The Investment, Audit and Compliance Committee is authorized to have the auditors perform such additional procedures as the Committee or the auditors deem advisable.

(B) Review with the auditors the financial statements and the auditors' report thereon and determine that the auditors have received all the information and explanations they requested.

(C) Investigate or review such procedures and practices related to the corporation's external and internal auditing, financial records, and accounting principles as the Committee deems appropriate.

(4) *Compliance Powers and Duties.* In discharging its compliance functions, the Investment, Audit and Compliance Committee shall:

(A) Review and recommend to the Board of Directors the adoption of a code of business conduct for the corporation's directors, officers, and employees.

(B) Review and provide oversight of the corporation's compliance program.

(5) *Other Duties.* The Investment, Audit and Compliance Committee also shall review any financial matter that may be referred to it by management from time to time related to the annual budget, the reserves and capital of the corporation, or the financial implications of a proposed transaction to which the corporation is a party. ~~(6)~~ The Investment, Audit and Compliance Committee also shall address such additional matters as may be referred to it by the Board of Directors or which may be set forth in its charter as approved by the Board of Directors.

~~(7)~~ (6) *Minutes and Reports to the Board.* Minutes of the Investment, Audit and Compliance Committee meetings shall be recorded and submitted to the Board of Directors for approval or disapproval.

(d) *Compensation Committee.*

(1) *Membership.* Membership on the Compensation Committee shall consist of not less than four (4) members of the Board of Directors to be appointed annually by the Board of Directors, none of whom shall be employed by the corporation or any of its subsidiaries.

(2) *Powers and Duties.* The Compensation Committee shall (A) determine the compensation of the President and Chief Executive Officer of the corporation, (B) review the corporation's executive compensation programs, (C) review and recommend to the Board the compensation payable to directors for their service on the Board and (D) perform such other compensation related functions as may be specified in the Compensation Committee Charter. If the corporation becomes publicly traded, the members of the Compensation Committee shall perform their duties in accordance with the applicable listing standards of its national securities exchange and applicable Securities and Exchange Commission ("SEC") requirements as may be in effect from time to time.

ARTICLE IV OFFICERS AND CHAIR OF THE BOARD

Section 1 Positions. The officers of this corporation shall be a Chief Executive Officer, President, one or more Vice Presidents, a Chief Financial Officer, a Secretary and a Treasurer, as appointed by the Board. Any two or more offices may be held by the same person, except the offices of President and Secretary. In addition, the Board of Directors may choose such other officers and assistant officers to perform such duties as from time to time may be assigned to them by the Board of Directors. The Board of Directors may delegate to any other officer of the corporation the power to choose such other officers and assistant officers and to prescribe their respective duties and powers.

Section 2 Appointment and Term of Office. The officers of the corporation shall be elected each year by the Board of Directors at the annual meeting of the Board of Directors or, between annual meetings of the Board of Directors, by the Board of Directors or by the President and Chief Executive Officer as provided in Section 6 of this Article. Unless an officer dies, resigns, or is removed from office, he or she shall hold office until his or her successor is elected.

Section 3 Salaries and Contract Rights. The salaries of the officers and agents shall be as fixed from time to time by the Board of Directors or by any person or persons to whom the Board of Directors has delegated such authority. No officer shall be prevented from receiving a salary by reason of the fact that he or she is a director of the corporation. The appointment of an officer shall not of itself create contract rights.

Section 4 Resignation. Any officer may resign at any time by delivering written notice to the President and Chief Executive Officer, the Secretary, or the Board of Directors, or by giving oral or written notice at any meeting of the Board of Directors. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5 Removal. Any officer or agent may be removed from office by the Board of Directors or by the President and Chief Executive Officer whenever in its or his or her judgment the best interests of the corporation would be served thereby. The Chair of the Board may be removed only by the Board. The removal of any officer or the Chair of the Board shall be without prejudice to the contract rights, if any, of the person so removed.

Section 6 Vacancies. A vacancy in any office created by the death, resignation, removal, disqualification, creation of a new office or any other cause, may be filled by the Board of Directors or by the President and Chief Executive Officer for the unexpired portion of the term or for a new term established by the Board of Directors or by the President and Chief Executive Officer. Any vacancy in the office of Chair of the Board shall be filled by the Board. If a vacancy in an office of Senior Vice President or above is filled by the President and Chief Executive Officer, he or she shall report such appointment to the Board of Directors at its next regular meeting.

Section 7 Powers and Duties. If the Board of Directors appoints persons to fill the following positions, such individual shall have the powers and duties set forth below:

(a) Chief Executive Officer. The Chief Executive Officer shall be the chief executive officer and, subject to the oversight by the Board of Directors as set forth in Article II, Section 1 above, shall manage the assets, business, and affairs of the corporation. He or she shall act as liaison between the Board of Directors and the other officers of the corporation with respect to the formulation of corporate policies affecting the corporation, and he or she shall implement said policies as directed by the Board of Directors. He or she shall provide reports to the Board of Directors on a regular basis regarding the operations and affairs of the corporation, including, without limitation, at least annually (a) the functions, programs, and staffing of the corporation's operations in its regional markets for the Board's review of the corporation's geographic, economic, and marketing opportunities, and (b) the corporation's activities in the various regions in which the corporation and its affiliates conduct business including presentations by the senior managers of the various regions. The Chief Executive Officer shall preside over meetings of the members. The Chief Executive Officer may sign deeds, mortgages, bonds, contracts, or other instruments, except when the signing and execution thereof have been expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the corporation or are required by law to be otherwise signed or executed by some other officer or in some other manner. In general, the Chief Executive Officer shall perform all duties incident to the office of Chief Executive Officer and such other duties as are assigned to him or her by the Board of Directors from time to time.

(b) President. In the event that the same person holds the offices of Chief Executive Officer and the President, the authority and duties of the President shall be as provided in Section 7(a) of this Article above and as may be provided by other provisions of these Bylaws. If the same person does not hold the offices of Chief Executive Officer and President, then the authority and duties of the President shall be as set forth in this Section 7(b). The President shall have such authority and shall perform such duties as may be assigned by the Chief Executive Officer. The President shall serve as a member of a management advisory committee, which

may be established at the discretion of the Chief Executive Officer, to assist the Chief Executive Officer on corporate policy and oversight of actions to achieve strategic business goals. In the event of the death of the Chief Executive Officer or his or her inability to act, the President shall perform such duties of the Chief Executive Officer as assigned to him or her by the Board of Directors with all the powers of and subject to all the restrictions upon the Chief Executive Officer.

(c) Chair of the Board of Directors. The Chair of the Board shall be elected by the Board of Directors at its annual meeting. When the position of Chair of the Board is held by a director other than the Chief Executive Officer, the following shall apply: The Chair shall be responsible for conducting meetings of the Board of Directors, consistent with the agendas prescribed by the Chief Executive Officer and/or the full Board of Directors, advising the Chief Executive Officer on such matters as the Chief Executive Officer may request, and performing such other duties as may be requested by the full Board of Directors. The position of Chair shall not include any special powers or authority over the Chief Executive Officer or the management of the corporation, distinct from the powers vested in the Board as a whole. It is contemplated that the Chief Executive Officer, or the Chief Executive Officer's designees, will represent the corporation's interests in matters involving third parties. The Chair may, from time to time, be requested by the Chief Executive Officer or the Board, to speak on behalf of the corporation on specific issues to specified third parties. In such event, the Chair shall discharge such duty consistent with the specific request from the Chief Executive Officer or the Board, as the case may be.

When the position of Chair is held by the Chief Executive Officer of the corporation, the following shall apply: The Chair and Chief Executive Officer shall preside over meetings of the Board of Directors and shall have authority and perform such duties in the management of the affairs and property of the corporation as are provided in these Bylaws or as may otherwise be determined by resolution of the Board of Directors. The chair of the Governance Committee shall preside over a Board of Directors meeting or part thereof if the Chair and Chief Executive Officer is absent from a meeting of the Board or any part thereof, or with respect to any matter that the Chief Executive Officer may have a conflict of interest.

(d) Vice Presidents.

(1) *Executive Vice Presidents.* Executive Vice Presidents shall have such authority and shall perform such duties as may be assigned by the President and Chief Executive Officer. The Executive Vice Presidents shall, at the discretion of the President and Chief Executive Officer, act as a management advisory committee to assist the President and Chief Executive Officer on corporate policy and oversight of actions to achieve strategic business goals. In the event of the death of the President and Chief Executive Officer or his or her inability to act, any Executive Vice President may perform such duties of the President and Chief Executive Officer as assigned to him or her by the Board of Directors with all the powers of and subject to all the restrictions upon the President and Chief Executive Officer.

(2) *Senior Vice Presidents and Vice Presidents.* Senior Vice Presidents or Vice Presidents shall assist the President and Chief Executive Officer in the supervision and

direction of the business and affairs of the corporation and shall perform such duties as may be assigned to them by the President and Chief Executive Officer.

(e) Chief Financial Officer. The Chief Financial Officer shall have the care and custody of the corporation funds and securities, maintain banking relationships and execute credit and collection policies and shall perform such other duties as mandated by law or regulation or as may be assigned by the Board of Directors or the Chief Executive and may execute and deliver in the name of the corporation powers of attorney, contracts, bonds and other obligations and instruments.

(f) Secretary. The Secretary shall: (a) keep the minutes of the meetings of the shareholders, the Board of Directors and minutes which may be maintained by committees of the Board of Directors; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records of the corporation; (d) keep records of the post office address and class, if applicable, of each member and Director and of the name and post office address of each officer; (e) sign with the President and Chief Executive Officer, or other officer authorized by the President and Chief Executive Officer or the Board of Directors, share certificates, deeds, mortgages, bonds, contracts, or other instruments; (f) authenticate records of the corporation; (g) have general charge of the stock transfer books of the corporation; (h) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President and Chief Executive Officer or the Board of Directors. In the Secretary's absence, an Assistant Secretary shall perform the Secretary's duties.

(g) Treasurer. If requested by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such amount and with such surety or sureties as the Board of Directors may determine. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in banks, trust companies or other depositories selected in accordance with the provisions of these Bylaws; and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President and Chief Executive Officer or the Board of Directors.

ARTICLE V

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Section 1. Definitions. As used in this Article:

(a) "Agent" means an individual who is or was an agent of the corporation, including a physician consultant or a member of a committee or panel of the corporation including, but not limited to, a medical advisory committee or panel, or an individual who, while an agent of the corporation, is or was serving at the corporation's request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. "Agent" includes, unless the context requires otherwise, the spouse, heirs, estate and personal representative of an agent.

(b) “Director” means an individual who is or was a director of the corporation or an individual who, while a director of the corporation, is or was serving at the corporation’s request as a director officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. “Director” includes, unless the context requires otherwise, the spouse, heirs, estate and personal representative of a director.

(c) “Employee” means an individual who is or was an employee of the corporation or an individual, while an employee of the corporation, is or was serving at the corporation’s request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. “Employee” includes, unless the context requires otherwise, the spouse, heirs, estate and personal representative of an employee.

(d) “Indemnitee” means an individual made a party to a Proceeding because the individual is or was a Director, Officer, Employee or Agent, and who possesses indemnification rights pursuant to these Articles or other corporate action. “Indemnitee” includes, unless the context requires otherwise, the spouse, heirs, estate, and personal representative of such individuals.

(e) “Liability” means the obligation to pay a judgment, settlement, penalty, fine, including an excise tax with respect to an employee benefit plan, or reasonable expenses, including attorneys’ fees, incurred with respect to a Proceeding.

(f) “Officer” means an individual who is or was an officer of the corporation (regardless of whether or not such individual was also a Director) or an individual who, while an officer of the corporation, is or was serving at the corporation’s request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise. “Officer” includes, unless the context requires otherwise, the spouse, heirs, estate and personal representative of an officer.

(g) “Party” includes an individual who was, is, or is threatened to be named a defendant, respondent or witness in a Proceeding.

(h) “Proceeding” means any threatened, pending, or completed action, suit, or proceeding, whether civil, derivative, criminal, administrative, or investigative, and whether formal or informal.

Section 2 Indemnification Rights of Directors and Officers. The corporation shall indemnify its Directors and Officers to the full extent ~~not prohibited~~permitted by applicable law now or hereafter in force against any Liability arising out of a Proceeding to which such individual was made a Party because the individual is or was a Director or an Officer. Subject to the foregoing, it is specifically intended that Proceedings covered by indemnification shall include Proceedings brought by the corporation (including derivative actions), Proceedings by government entities and governmental officials or other third party actions.

Section 3 Indemnification of Employees and Agents of the Corporation. The corporation may, by action of its Board of Directors from time to time, provide indemnification and pay expenses in advance of the final disposition of a Proceeding to Employees or Agents of the corporation who are not also Directors, in each case to the same extent as to a Director with respect to the indemnification and advancement of expenses pursuant to rights granted under, or provided by, the Act or otherwise.

Section 4 Partial Indemnification. If an Indemnatee is entitled to indemnification by the corporation for some or a portion of any Liabilities incurred by Indemnatee in any Proceeding but not, however, for the total amount thereof, the corporation shall nevertheless indemnify Indemnatee for the portion of such Liabilities to which Indemnatee is entitled.

Section 5 Procedure for Seeking Indemnification and/or Advancement of expenses. The following procedures shall apply in the absence of (or at the option of the Indemnatee, in lieu thereof); specific procedures otherwise applicable to an Indemnatee pursuant to a contract, trust agreement, or general or specific action of the Board of Directors:

(a) Notification and Defense of Claim. Indemnatee shall promptly notify the corporation in writing of any Proceeding for which indemnification could be sought under this Article. In addition, Indemnatee shall give the corporation such information and cooperation as it may reasonably require and as shall be within Indemnatee's power. With respect to any such Proceeding as to which Indemnatee has notified the corporation: (i) the corporation will be entitled to participate therein at its own expense; and (ii) except as otherwise provided below, to the extent that it may wish, the corporation, jointly with any other indemnifying party similarly notified, will be entitled to assume the defense thereof, with counsel satisfactory to Indemnatee. Indemnatee's consent to such counsel may not be unreasonably withheld.

After notice from the corporation to Indemnatee of its election to assume the defense, the corporation will not be liable to Indemnatee under this Article for any legal or other expenses subsequently incurred by Indemnatee in connection with such defense. However, Indemnatee shall continue to have the right to employ its counsel in such Proceeding, at Indemnatee's expense; and if:

- (i) The employment of counsel by Indemnatee has been authorized by the corporation;
- (ii) Indemnatee shall have reasonably concluded that there may be a conflict of interest between the corporation and Indemnatee in the conduct of such defense; or
- (iii) The corporation shall not in fact have employed counsel to assume the defense of such Proceeding,

the fees and expenses of Indemnatee's counsel shall be at the expense of the corporation.

The corporation shall not be entitled to assume the defense of any Proceeding brought by or on behalf of the corporation or as to which Indemnatee shall reasonably have made the conclusion that a conflict of interest may exist between the corporation and the Indemnatee in the conduct of the defense.

(b) Information to be Submitted and Method of Determination and Authorization of Indemnification. For the purpose of pursuing rights to indemnification under this Article, the Indemnatee shall submit to the Board a sworn statement requesting indemnification and reasonable evidence of all amounts for which such indemnification is requested (together, the sworn statement and the evidence constitute an “**Indemnification Statement**”).

Submission of an Indemnification Statement to the Board shall create a presumption that the Indemnatee is entitled to indemnification hereunder, and the corporation shall, within sixty (60) calendar days thereafter, make the payments requested in the Indemnification Statement to or for the benefit of the Indemnatee, unless: (1) within such sixty (60) calendar day period it shall be determined by the corporation that the Indemnatee is not entitled to indemnification under this Article; (2) such determination shall be based upon clear and convincing evidence (sufficient to rebut the foregoing presumption); and (3) the Indemnatee shall receive notice in writing of such determination, which notice shall disclose with particularity the evidence upon which the determination is based.

The foregoing determination may be made: (1) by the Board of Directors by majority vote of a quorum of Directors who are not at the time parties to the Proceedings; (2) if a quorum cannot be obtained, by majority vote of a committee duly designated by the Board of Directors (in which designation Directors who are parties may participate) consisting solely of two (2) or more Directors not at the time parties to the Proceeding; (3) by special legal counsel; or (4) by the shareholders, in each case, as provided by Section 23B.08.550 of the Act.

Any determination that the Indemnatee is not entitled to indemnification, and any failure to make the payments requested in the Indemnification Statement, shall be subject to judicial review by any court of competent jurisdiction.

(c) Special Procedure Regarding Advance for Expenses. An Indemnatee seeking payment of expenses in advance of a final disposition of the Proceeding must furnish the corporation, as part of the Indemnification Statement:

(1) A written affirmation of the Indemnatee’s good faith belief that the Indemnatee has met the standard of conduct required to be eligible for indemnification; and

(2) A written undertaking, constituting an unlimited general obligation of the Indemnatee, to repay the advance if it is ultimately determined by the final disposition of a court of competent jurisdiction that the Indemnatee did not meet the required standard of conduct under the Act.

Upon satisfaction of the foregoing the Indemnatee shall have a contractual right to the payment of such expenses.

(d) Settlement. The corporation is not liable to indemnify Indemnatee for any amounts paid in settlement of any Proceeding without the corporation's written consent. The corporation shall not settle any Proceeding in any manner which would impose any penalty or limitation on Indemnatee without Indemnatee's written consent. Neither the corporation nor Indemnatee may unreasonably withhold its consent to a proposed settlement.

Section 6 Contract and Related Rights.

(a) Contract Rights. The right of an Indemnatee to indemnification and advancement of expenses is a contract right upon which the Indemnatee shall be presumed to have relied in determining to serve or to continue to serve in his or her capacity with the corporation. Such right shall continue as long as the Indemnatee shall be subject to any possible Proceeding. Any amendment to or repeal of this Article shall not adversely affect any right or protection of an Indemnified Party with respect to any acts or omissions of such Indemnified Party occurring prior to such amendment or repeal.

(b) Optional Insurance, Contracts, and Funding. The corporation may:

(1) Maintain insurance, at its expense, to protect itself and any Indemnitee against any liability, whether or not the corporation would have power to indemnify the Indemnified Party against the same liability under Sections 23B.08.510 or .520 of the Act, or a successor section or statute;

(2) Enter into contracts with any Indemnified Party in furtherance of this Article and consistent with the Act; and

(3) Create a trust fund, grant a security interest, or use other means (including without limitation a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Article. The corporation's indemnity of any person covered by the indemnification provisions of this Article V, or who is otherwise entitled to indemnification, shall be reduced by any amounts such person actually collects as indemnification (i) under any policy of insurance purchased and maintained on such person's behalf by the corporation, or (ii) from another person or entity or from insurance purchased by such person or entity or by the person being indemnified by the corporation.

(c) Right of Indemnitee to Bring Suit. If (1) a claim under this Article for indemnification is not paid in full by the corporation within sixty (60) days after an Indemnification Statement has been received by the corporation; or (2) a claim under this Article for advancement of expenses is not paid in full by the corporation within twenty (20) days after an Indemnification Statement has been received by the corporation, then the Indemnitee may, but need not, at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim. To the extent successful in whole or in part, the Indemnitee shall be entitled to also be paid the expense (to be proportionately prorated if the Indemnitee is only partially successful) of prosecuting such claim. The Indemnitee shall be presumed to be entitled to indemnification hereunder upon submission of a proper Indemnification Statement and thereafter the corporation shall have the burden of proof to overcome the presumption that the Indemnitee is so entitled. Neither (1) the failure of the corporation (including its Board of Directors, its shareholders, or independent legal counsel) to have made a determination prior to the commencement of such Proceeding that indemnification or reimbursement or advancement of expenses to the Indemnitee is proper in the circumstances; nor (2) an actual determination by the corporation (including its Board of Directors, its shareholders, or independent legal counsel) that the Indemnitee is not entitled to indemnification or to the reimbursement or advancement of expenses, shall be a defense to the Proceeding or create a presumption that the Indemnitee is not so entitled.

(d) Nonexclusivity of Rights. The right to indemnification and the payment of expenses incurred in defending a Proceeding in advance of its final disposition granted in this Article shall not be exclusive of any other right which any Indemnitee may have or hereafter acquire under any statute, provision of this Article or the Bylaws, agreement, vote of shareholders or disinterested directors, [policy of insurance](#) or otherwise. The corporation shall have the express right to grant additional indemnity without seeking further approval or satisfaction by the shareholders. All applicable indemnity provisions and any applicable law shall be interpreted and applied so as to provide an Indemnitee with the broadest but nonduplicative indemnity to which he or she is entitled.

Section 7 Contribution. If the indemnification provided in Section 2 of this Article is not available to be paid to Indemnatee for any reason other than such indemnification is prohibited by the Act (for example, because indemnification is held to be against public policy even though otherwise permitted under Section 2) then in respect of any Proceeding in which the corporation is jointly liable with Indemnatee (or would be if joined in such Proceeding), the corporation shall contribute to the amount of loss paid or payable by Indemnatee in such proportion as is appropriate to reflect:

The relative benefits received by the corporation on the one hand and the Indemnatee on the other hand from the transaction from which such Proceeding arose, and

The relative fault of the corporation on the one hand and the Indemnatee on the other hand in connection with the events which resulted in such loss, as well as any other relevant equitable consideration.

The relative benefits received by and fault of the corporation on the one hand and the Indemnatee on the other shall be determined by a court of appropriate jurisdiction (which may be the same court in which the Proceeding took place) with reference to, among other things, the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent the circumstances resulting in such loss. The corporation agrees that it would not be just and equitable if a contribution pursuant to this Article was determined by pro rata allocation or any other method of allocation which does not take account of the foregoing equitable considerations.

Section 8 Exceptions. Any other provision herein to the contrary notwithstanding, the corporation shall not be obligated pursuant to the terms of these Articles to indemnify or advance expenses to Indemnatee with respect to any of the following:

(a) Claims Initiated by Indemnatee. Claims initiated or brought voluntarily by Indemnatee and not by way of defense, but such indemnification or advancement of expenses may be provided by the corporation in specific cases if the Board of Directors finds it to be appropriate. Notwithstanding the foregoing, the corporation shall provide indemnification, including the advancement of expenses, with respect to Proceedings brought to establish or enforce a right to indemnification under these Articles or any other statute or law.

(b) Lack of Good Faith. Claims instituted by Indemnatee to enforce or interpret this Article, if a court of competent jurisdiction determines that each of the material assertions made by Indemnatee in such Proceeding was not made in good faith or was frivolous.

(c) Insured Claims. Claims for which any of the Liabilities for indemnification is being sought have been paid directly to Indemnatee by an insurance carrier under a policy of officers' and directors' liability insurance maintained by the corporation.

(d) Prohibited by Law. If the corporation is prohibited by the Act or other applicable

law as then in effect from paying such indemnification and/or advancement of expenses. For example, the corporation and Indemnatee acknowledge that the ~~Securities and Exchange Commission (“SEC”)~~SEC has taken the position that indemnification is not possible for liabilities arising under certain federal securities laws. Indemnatee understands and acknowledges that the corporation has undertaken or may be required in the future to undertake with the SEC to submit the question of indemnification to a court in certain circumstances for a determination of the corporation’s fight to indemnify Indemnatee.

Section 9 Successors and Assigns. All obligations of the corporation to indemnify any Director or Officer shall be binding upon all successors and assigns of the corporation (including any transferee of all or substantially all of its assets and any successor by merger or ~~other-wise~~otherwise by operation of law). The corporation shall not effect any sale of substantially all of its assets, merger, consolidation, or other reorganization, in which it is not the surviving entity, unless the surviving entity agrees in writing to assume all such obligations of the corporation.

ARTICLE VI BOOKS AND RECORDS; ADMINISTRATIVE PROVISIONS

Section 1 Books of Accounts, Minutes, and Share Register. This corporation:

(a) Shall keep as permanent records minutes of all meetings of its shareholders and Board of Directors, a record of all actions taken by the shareholders or Board of Directors without a meeting, and a record of all actions taken by a committee of the Board of Directors exercising the authority of the Board of Directors on behalf of this corporation;

(b) Shall maintain appropriate accounting records;

(c) Or its agent shall maintain a record of its shareholders, in a form that permits preparation of a list of the names and addresses, and electronic addresses for those shareholders who have consented to receipt of electronic notice pursuant to the Act, of all shareholders, in alphabetical order by class of shares showing the number and class of shares held by each; and

(d) Shall keep a copy of the following records at its principal office:

(1) The Articles or Restated Articles of Incorporation and all amendments to them currently in effect;

(2) The Bylaws or Restated Bylaws and all amendments to them currently in effect;

(3) The minutes of all shareholders’ meetings, and records of all actions taken by shareholders without a meeting, for the past three (3) years;

(4) Its financial statements for a minimum of the past three (3) years, including balance sheets showing in reasonable detail the financial condition of this corporation as of the close of each fiscal year, and an income statement showing the results of its operations

during each fiscal year prepared on the basis of generally accepted accounting principles or, if not, prepared on a basis explained therein;

(5) All written and electronic communications to shareholders generally within the past three (3) years;

(6) A list of the names and business addresses of its current directors and officers; and

(7) Its most recent annual report delivered to the Secretary of State of Washington.

Section 2 Copies of Resolutions. Any person dealing with this corporation may rely upon a copy of any of the records of the proceedings, resolutions, or votes of the Board of Directors or shareholders, when certified by the President or Secretary.

Section 3 Accounting Year. The accounting year of the corporation shall be the twelve months ending December 31.

Section 4 Rules of Procedure. The rules of procedure at meetings of the Board of Directors and committees of the Board of Directors shall be rules contained in Roberts' Rules of Order on Parliamentary Procedure, newly revised, so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation or any resolution of the Board of Directors.

Section 5 Inconsistent Provisions. The Board of Directors shall have the authority to interpret these Bylaws and to resolve any question or issue which may arise under these Bylaws. Whenever possible, each provision of these Bylaws shall be interpreted in such a manner as to be valid and enforceable under applicable law and the provision of the Article of Incorporation, but if any provision of these Bylaws shall be held to be prohibited by or unenforceable under or to be in irreconcilable conflict with applicable law or the Articles of Incorporation, (i) such provision shall be applied to accomplish the objectives of the provision as originally written to the fullest extent permitted by law, and (ii) all other provisions of these Bylaws shall remain in full force and effect.

ARTICLE VII AMENDMENT OF BYLAWS

Section 1 By the Shareholders. These Bylaws may be amended or repealed at any regular or special meeting by not less than a majority of the shares entitled to vote thereon if notice of the proposed amendment is contained in the notice of the meeting.

Section 2 By the Board of Directors. These Bylaws may be amended or repealed, in whole or in part, by the vote of a majority of the whole Board of Directors of any meeting of the Board of Directors. Notwithstanding the foregoing, the director may not amend the provisions fixing their qualifications, classifications, or term of office, in each case without the prior approval of the shareholders.

CERTIFICATE OF ADOPTION

The undersigned Secretary of [New Premera Blue Cross] does hereby certify that the above and foregoing Bylaws of said corporation were adopted by the directors as the Bylaws of said corporation.

DATED this _____ day of _____, 200__.

_____, Secretary